

# Determination of Consumer Purchase Behaviour - An Overview



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## Abstract

Consumer purchase behaviour towards household appliances like electric cooker, induction stove, mixer, microwave oven and wet grinder. Consumer Behaviour is not only the study of what people consume, but is also the study of who the consumers are, why they consume, how often they consume, and under what conditions they consume. This article highlights the determination of consumer purchase behaviour - An overview.

**Keywords:** Consumer Purchase Behaviour, Purchase Decision, Household Appliances, Post-purchase Behaviour, Consumer Buying Process, Price, Quality and Performance

## Introduction

In today's market, business exists only to satisfy human needs. Therefore, business must first find out what the consumers want and then produce goods according to the needs of the consumers. Only such products should be produced which best satisfy consumer needs and at a profit to the maker. What is offered for sale should be determined by the buyer rather than the seller has become a necessity that products are brought together to a central location for the purpose of exchange. Thus markets have come into existence. In the present time, people have become more aware and conscious of these non basic needs for getting more and more comforts and facilities. These are not essential for basic existence as they have to be satisfied by the person for his own existence. That is why, the basic needs occur more frequently, may be, more than once in a day, where else the non basic needs occur very less frequently, sometimes may be once in a life time. This paper aims at discussing the most important determination of consumer purchase behaviour - an overview.

## Who is a Consumer ?

Any individual who purchases goods and services from the market for his/her end-use is called a consumer. In

simpler words a consumer is one who consumes goods and services available in the market.

## Consumer Behaviour

Consumer Behaviour is broadly defined as "the behaviour the consumer displays in searching for, purchasing, using and evaluating products, services, and ideas which they expect will satisfy their needs." Consumer Behaviour is not only the study of what people consume, but is also the study of who the consumers are, why they consume, how often they consume, and under what conditions they consume.

## Buying Motives

You purchase a product, because of certain motives refer to though, urge strong feelings, emotion, drive, etc.. They make a buyer to react in the form of a decision. Motivation explains the behaviour of a buyer. Motives induce a consumer to purchase a particular product. The motives may be generally controlled by economic social, psychological influences etc.. When a consumer buys a product, his aims are desire for security, rest. Comfort, Curiosity, Self preservation, fashion etc. People purchase products urged by mental and economic forces, which create a desire and this desire is satisfied by articles displayed for sale. Motive is

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an inner urge that prompts one of the action; it is not mere desire. The stimulated desire is called motive.

### **Determination of Consumer Buying Behaviour:**

A marketer is always interested to know how consumers respond to various marketing stimuli - products, price, place and promotional and other stimuli i.e. buyers environment - economic, technological, political and cultural. The marketer studies the relationship between marketing stimuli and consumers response. These stimuli pass through buyers box which produces the buyers response and is shown below.

The buyer is considered as a black box, because his mind cannot be imagined as to his buying decision. The buying decision depend on his attitude, preferences, feelings etc. Factors influencing the consumer behaviour are internal needs motives, perception and attitude as well as external family social groups, culture, economics, business, influences and these influences are shown below.

### **Consumer Purchase Behaviour – An Overview**

Customer behaviour study is based on consumer buying behaviour, with the customer playing the three distinct roles of user, payer and buyer. Research has shown that consumer behaviour is difficult to predict, even for experts in the field. Relationship marketing is an influential asset for customer behaviour analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the re-affirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalization, customization and one-to-one marketing. Social functions can be categorized into social choice and welfare functions.

Each method for vote counting is assumed as social function but if Arrow's possibility theorem is used for a social function, social welfare function is achieved. Some specifications of the social functions are decisiveness, neutrality, anonymity, monotonicity, unanimity, homogeneity and weak and strong Pareto optimality. No social choice function meets these requirements in an ordinal scale simultaneously. The most important characteristic of a social function is identification of the interactive effect of alternatives and creating a logical relation with the ranks. Marketing provides services in order to satisfy customers. With that in mind, the productive system is considered from its beginning at the production level, to the end of the cycle, the consumer.

### **Consumer Household Appliances**

Household appliances refer to various devices and equipments used in a household to reduce manual human

labour content and to remove the drudgery in working and to reduce manual human labor content and to remove the drudgery in working and to make household activities speedy, tidy and enjoyable. There are, in the present day, a large number and variety of such household appliances like Multipurpose Mixer, Wet Grinders, Electrical Cooker, Vacuum Cleaners, Heaters, Electrical Induction Stove, sewing machines and Microwave Oven. To make home life enjoyable and entertaining as well as economical, we have audio and video players, home theatre and music systems. The researcher has selected household electrical cooking appliances like electric cooker, induction stove, microwave oven, mixer, wet grinders.

### **Review of Literature**

The article aims at review of earlier research on consumer behavior to provide the basis for a proper understanding and appreciation of the problem involved in the study of consumer behavior.

**Christoph Fuchs and Emanuela Prandelli, (2010)** has conducted The Psychological Effects of Empowerment Strategies on Consumer's Product Demand, Companies have recently begun to use the internet their customers more actively into various phases of the new product development process. One such strategy involves empowering customers to cooperate in selecting the product concepts to be marketed by the firm. In such scenarios, it is no longer the company but rather its customers who decide democratically which products should be produced. This article discusses the first set of empirical studies that highlight the important psychological consequences of this power shift. The results indicate that customers who are empowered to select the products to be marketed show stronger demand for the underlying products

**Deepak Bhagat and Barooah, B.K, (2010)** have identified A Study On Consumers' Perceived Value And Satisfaction With Insecticides Used In Paddy In Jorhat District Of Assam, The increasing competitions in the agrochemical industry have made the farmers (customers) more empowered. All these have necessitated a change in the marketing approach of the growth conscious companies. The study has shown that there is responsible demand for seed, fertilizer and pesticides in the Jorhat market. To supply these agri-inputs, a number of retail agents have come up. Knowing the opportunity, a number of agrochemical companies have entered the Jorhat market. Since paddy is the principle crop of this region-both in terms of area and number of families it supports, the study was limited to paddy growers only.

### **Consumer Buying Process**

Before business can develop marketing strategies, they must understand what factors influence buyers' behaviour and how they make purchase decisions to satisfy their needs

and wants. Buyers are moved by a complex set of deep and suitable emotions. Their behaviour results from deeply held values and attitudes, their perception of the world and their place in it, from common sense, impulse or just plain whimsy. There are also several stages through which the consumer exhibits before deciding to purchase goods or services. Buying is a mental process. A decision to buy a product is taken after passing through different stages. The buying decision process involves the following steps:

- Need Recognition & Problem Awareness
- Information search
- Evaluation of Alternatives
- Purchase
- Post –Purchase Evaluation

### *Problem Recognition*

The consumer decision-making process begins when a buyer recognizes a problem or an unsatisfied need or desire. For example, a consumer might think it is time to buy a new car when his current one has to be repaired four times in one month or a student might have the desire for a compact disk (CD) player because some of her friends own them. Since consumer may not always recognize that they have a problem or a need, business use products, advertising, packaging, and sales personnel to help trigger consumer awareness of need and desire.

### *Information Search*

After recognizing a problem or need, the consumer seeks out information on how to satisfy it. An information search can focus on product features, prices, availability of brands, seller characteristics, warranties, and other factors. Business can expedite the information search by supplying consumers with useful, accurate, timely, and readily available product information. Consumer usually begins the search process with an internal search into their memory. Usually, a person has stored information in his mind for dealing with that need.

### *Evaluation of alternatives*

Buyers have choices. They are looking for certain benefits from their purchase. So they evaluate the alternatives on the basis of attributes-taste, colour, price, durability and quality of the alternative products. He assesses the merits and demerits of the entire available alternative. It helps the consumer in choosing the best possible alternative.

### *Purchase decision*

While evaluating each alternative, the consumer ranks them first, second and third. These are his preferences. Now the customer goes to the shop and buys the product of the brand chosen.

### *Post -purchase behaviour / Cognitive Dissonance*

After the consumer has actually purchased the products / brand, he will be satisfied or dissatisfied with it. This satisfaction or dissatisfaction will result in certain consequences. If he is satisfied with the product, he would regularly buy the brand and develop a loyalty. If he is dissatisfied with the product he may stop buying more products of that brand and may also spread bad words about the brand. This negative feeling which arises after purchase causing inner tension is known as cognitive dissonance. A marketer therefore, understands the correct buying process of customers and decides on marketing activities accordingly rather than by their income alone. The social class is based on income, education, occupation, family history and social status. Sociologists divide most societies into three classes-upper, middle, and lower. Shopping pattern, savings, spending habit and leisure time activities differ in different social classes. The upper class buys products of high quality irrespective of price. Middle class buys items to show their status in the society. They live well. They spend their leisure time in park and museums. The lower middle class buy less expensive goods. Lower class is composed of factory workers, coolies, petty service people who are not well-educated and have low income. They buy very simple and cheap products. Thus we can see that the social class has a definite influence on products and brand preferences.

### **Factors Influencing Post-Purchase of Household Appliances**

The opinion of the respondents regarding the factors influencing post-purchase behaviour of household appliances.

**Table -1 Factors Influencing Post-Purchase of Household Appliances**

S. No.	Factors	Rural	Urban	Total
1.	Price	74 (39)	61 (12)	161 (23)
2.	Quality	42 (22)	138 (27)	182 (26)
3.	Appearance	25 (13)	92 (18)	105 (15)
4.	After sales service	17 (09)	117 (23)	140 (20)
5.	Durability	19 (10)	56 (11)	70 (10)
6.	Attractive model	13 (07)	46 (09)	42 (06)
<b>Total</b>		<b>190</b>	<b>510</b>	<b>700 (100)</b>

**Source:** Primary data, Figures in parentheses are percentage

From the Table -1 it is seen that, the important buying factors considered while post-purchase of household appliances were: Quality for 26 per cent of the respondents, Price (23 per cent) and After sales service (20 per cent). Price was found to be the main factor influencing the rural respondents (39 per cent) followed by quality 22 per cent, while Quality was the main consideration by the urban respondents 27 per cent, followed by After sales service 23

per cent and Appearance 18 per cent. It is concluded that the majority of the respondents better quality for factors influencing post-purchase of household appliances.

## Criteria for Evaluation for Buying Household Appliances

### Price

In poor countries like India often alternative evaluation is done on price consideration which one can afford. For instance, in case of detergent, house or a car, first consumer decides the range which is in his reach or affordability or his willingness to spend upon a product. Then he examines those brands which are within his range. Many companies initially succeed because of low price.

### Quality

The quality is an important factor in deciding to buy a particular brand or not. In case of industrial machinery and raw materials by industry and in case of consumer durables quality is an important selecting criterion. The same is true for hospitals and many other services in order that consumer gets the right quality and are not cheated. Various countries have laid down standards for quality. The factors influencing purchase behaviour are exhibited in the following table -1.

**Table -2 Factors Influencing Purchase Behaviour**

S. No.	Influencing factors	No. of Respondents	Percentage
1.	Quality	455	65
2	Quantity	42	06
3	Cost	49	07
4	Service	63	09
5	Price	21	03
6	Brand	70	10
<b>Total</b>		<b>700</b>	<b>100</b>

**Source:** Primary data

The table-2 indicates that, 65 per cent of the respondents were influenced by quality, 6 per cent of the respondents were influenced by the quantity, 7 per cent of the respondents were influenced by the cost, 9 per cent of the respondents were influenced by the service, 3 per cent of the respondents were influenced by the price and 10 per cent of the respondents were influenced by the loyalty to the brand. Thus, majority of the respondents purchase behaviour were influenced by the quality of the product.

### Brand

In most of the markets for each product, a number of brands are available for almost any product including rice, wheat flour, tea, coffee, vegetables, pickles, mobile, to mention a few. The consumers give due weightage to brand

reputation aspects and feel that a product which has higher market share than others is rated high in choice making by a consumer, be it an FMCG, consumer durables, services or others.

### Attributes

Different products have different attributes like taste, flavour, fragrance, durability, performance and so on. In case of products like basmati rice, tea, toothpaste and cosmetics brand is a very important factor. But in India many unbranded products are sold largely on price consideration, especially in rural markets. But their colour, smell, quality, shape are also considered. There are hundreds of attributes which are considered for different products.

### Experience

The prior experience about a product or service is an important factor to use it again or not to use it. If one has good experience on one product, he may not consider other brand and most likely will purchase it again unless better products have been introduced in the market and consumer feels them better than tried product or service.

### Familiarity

The familiarity about a product depends on a considerable extent on the advertisement, friends, relatives and family members. In evaluation the consumer considers only those brands which are known to him which is different from those in his personal experience.

### Trade-off

There are positive and negative aspects about a product or service. The consumer will select that product which has more positive points than negative points. He, in other words, trades off negative aspects with positive aspects and product must have net positive aspects to be considered for purchase.

### Number of alternatives to be considered

At present in India for most of the products and many services there are a number of alternatives with the exception of railways and electricity and to a certain extent communication services. It is not possible for an average consumer to consider all of them before making a choice. Therefore, he decides to restrict his choice to a few models/brands.

### Advertisement

The consumer has to be made only aware but familiar about a product so that it may be included for alternate consideration. This important job is done by advertisements.

Consumers of certain products feel that advertised products are better and they discard those products which are not advertised frequently. Some consumers feel that heavily advertised products are better than less advertised products.

### Suggestions and Recommendations

Durable product manufactures should focus their attention on the sources of information from where the consumers get information about the products namely household appliances like electric cooker, induction stove, mixer, microwave oven and wet grinder and promote their products through these sources. Due to the economic and social changes that are taking place in our country, more and more people are buying durable products to suit their requirements. This gives plenty of scope for the manufacturers of durable products to tap not only the growing market but also the potential market. Since the purchasers care more for quality than the cost of the products, the manufacturers can produce only warranted goods that may in turn help them to be successful in marketing.

### Conclusion

The present study concluded that, we can say that, yesterday's luxuries are today's necessities. Hence in this digital world, durable goods are no longer a luxury item. The marketer should see that consumer durables are made available at various outlets for the consumers. The market for consumer durables is becoming more competitive now a days. Therefore, the producer of durable products should understand consumer interest much to find higher sale of their products. The study concludes that the competitive market provides opportunity on one hand and threats on the other hand to both the consumer and the producer; it is quite important to improve core products with value addition to enrich customer satisfaction more in the similar price range. The household appliances like electric cooker, induction stove, mixer, microwave oven and wet grinder were once considered as life purchase.

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